

# **THE LEONARD LETTER**

*A weekly electronic newsletter about  
California government, business and taxes*

*Bill Leonard, Member  
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## **QUOTE OF THE WEEK**

*“God has created the United States and brought us to our present position of power and strength in order to defend spiritual values - the moral code - against the vast forces of evil that seek to destroy them.”*

*--- President Harry S. Truman*

## **AROUND THE STATE**

### **\*\*\*California Political Review\*\*\***

As the mainstream media continues to fail in its coverage of real political news and real policy differences, thank goodness there are others rising up to fill the gap. One of those is John Kurzweil of the California Political Review. The March/April issue runs the gamut of items from the pragmatic roundtable on the Republican Party to a thoughtful theological discussion of the Enlightenment. I also appreciate a very even handed analysis of the Governor's health proposal. It is a stellar issue. You can check it out on-line at: [www.cppf.us](http://www.cppf.us)

## **UNDER THE DOME**

### **\*\*\*Kudos to Maria\*\*\***

While some people are missing out on a \$30 phone tax rebate, others are missing out on a more sizeable chunk of money: that owed to them via the Federal Earned Income Tax Credit. I commend California's First Lady Maria Shriver for reaching out to eligible Californians by way of newspaper columns, a hotline and community workshops. Shriver says that the EITC “can put up to \$4,500 in the pockets of working parents who earn up to \$38,348 a year.” Noting that just in Orange County some 30,000 families left an estimated \$69 million in EITC refunds on the table last year, Shriver says, “We need these dollars here in California. We can't leave them sitting in Washington, D.C.” The First Lady refers people to two sources:

1) The website [www.Icanefile.org](http://www.Icanefile.org) was created to be a free, easy website to help low- and moderate-income people file tax returns even if they are not used to using computers.

2) California's toll-free hotline at: 1-888-3-MY REFUND or 1-866-9-MI DINERO. You may also review the official IRS information on the subject at this link:

<http://www.irs.gov/individuals/article/0,,id=96406,00.html>

### **\*\*\*Too Much Information?\*\*\***

An interesting blurb caught my eye that raises questions about public access. The Maine Legislative leadership is considering banning their members from receiving text messages while the legislature is in session. See this link:

<http://dwb.sacbee.com/24hour/politics/story/3542146p-12748142c.html>

They make the usual arguments about decorum and special interest access, but they never seem to confront the big question: should legislators be insulated from new information? Is the legislature like an SAT exam where all you can bring into the room is your Number 2 pencil and every decision you make has to come from your own brain with no help? To me the answer is obvious. Legislators need all the help they can get. They ought to hear two sides-- at least-- to every proposal under debate. They ought to have access to the latest information and they ought to have the ability to check out "facts" that are introduced into evidence to make sure they are accurate. I dare any legislator to tell their constituents that they are getting too much information.

### **\*\*\*Former President Bush's Tax Increase\*\*\***

On the week of the birthday of President Ronald Reagan, the foundation that carries on his memory honored former President Bush. Despite all the bad things he said about Reagan in the presidential campaigns, former President Bush was a loyal and supportive vice-president to President Reagan. However, sometimes history can be helpful to today's debates. At the ceremony, Bush wondered aloud that if he had had the communication skills of Reagan whether he might have been able to beat Bill Clinton and retain the presidency. Hogwash! Bush broke his word to the American people and raised their taxes. The tax increase contributed to the economic stagnation which Clinton so vividly portrayed in the 1992 campaign as: "It's the economy, stupid!" Tax increases have consequences. Tax increases change people's economic behavior. Tax increases advance the false notion that the government can spend your money better than you can. And, yes, tax increases can make people decide how to cast their ballots.

## **TAX TIP**

### **\*\*\*Claim Your Phone Refund\*\*\***

Last July marked a momentous occurrence in tax law: the federal government stopped collecting the excise tax on long-distance phone calls after a long fight against the tax that was in place to fund the Spanish-American war. (Coincidentally, you can see in this week's Dates in History section that the war began on February 15, 1898. The Treaty of

Paris ending the war was signed on December 10, 1898.) Washington determined that to make up for the illegal tax, it would refund taxpayers via their federal income tax returns for the excise tax charged between March 2003 to July 2006. Taxpayers can either claim a standard refund amount, which needs no documentation, and receive \$30 to \$60, based on the number of exemptions they claim, or they can make claims on the actual amount paid. (This also does not require document to be sent with the tax return, but such documents must be available for review if the IRS inquires.)

Unfortunately, more than one-third of those filing early returns this year have not requested the refund to which they are entitled. Some taxpayers are making their claims based on their total phone bills rather than just the three percent on long distance or bundled service. If you have yet to file your taxes, pay close attention to this money due back to you. Most electronic tax filing services and software are programmed to remind you about this and will help you calculate the amount correctly. For more information from the government, see this link:

<http://www.irs.gov/newsroom/article/0,,id=164032,00.html>

For more information written in plain English rather the bureaucratese, see this link:

<http://www.snopes.com/business/taxes/excise.asp>

## MISCELLANY

### \*\*\*A Good Read\*\*\*

One of the best works of fiction is George Orwell's "1984." It paints a picture of government authority run rampant and of a level of oppression that is beyond frightening. I had not thought of it in many years, but Frank Luntz reminded me of one of its most powerful moments at the beginning of his new book "Words That Work: It's Not What You Say, It's What People Hear." Luntz talks about Orwell's use of Room 101: "the place where everyone's personal, individual nightmares come true. If your greatest fear is snakes, you open the door to a room full of snakes. If your fear is drowning, your Room 101 fills to the brim with water. To me, this is the most frightening, horrific, imaginative concept ever put on paper, simply because it causes you to imagine your own Room 101." But the movie version of "1984" did not convey as much horror because it showed us Room 101; Room 101 was no longer a figment of our own imaginations but an image of someone else's Room 101.

Luntz's book explains why that same principle applies to how we communicate with other people—the communication takes places in their minds, not ours, so the meaning is in what people hear. And what people hear is not necessarily what we said. Luntz's review of modern language and how it is used in political speeches, corporate advertising and fights with our spouses is enjoyable because it is true and accessible. Even if you do not listen to political debates, his book will resonate with you because you cannot live in America today without knowing the commercial tag-lines he discusses. Luntz offers rules for the use of modern language that can help you make sure what you say is what

people hear. If that alone is not a compelling reason to read it, let me offer you another. Appendix A us a case study on the use of political language in the 2003 recall of Governor Gray Davis. Luntz's firm did the polling and research for Rescue California and he personally wrote the recall statement that appeared on the ballot. He reprints that ballot statement and explains exactly why he chose particular words and phrases and the impact they were meant to have on voters. You will enjoy that romp through recent history and Luntz's description of how carefully selected language was used to remind voters what they already thought and felt about their doomed Governor.

### **\*\*\*New Citizenship Test\*\*\***

The pilot test for new U.S. citizens was recently changed. The old question #66 about the minimum wage was eliminated—I assume because Congress recently changed it. Question #97 about famous Revolutionary War battles is gone, and the list of American Indian tribes was relocated. Consequently, the numbering in last few issues of the Leonard Letter has been off. This link will take you to the current exam and answers.

<http://www.uscis.gov/portal/site/uscis/menuitem.5af9bb95919f35e66f614176543f6d1a/?vgnextoid=dcf5e1df53b2f010VgnVCM1000000ecd190aRCRD>

101. What territory did the United States buy from France in 1803?
102. What country sold the Louisiana Territory to the United States?
103. In 1803, the United States bought a large amount of land from France. Where was that land?
104. Name one of the things that Abraham Lincoln did.
105. Name the U.S. war between the North and the South.
106. Name one problem that led to the Civil War.
107. What did the Emancipation Proclamation do?
108. What did the abolitionists try to end before the Civil War?
109. What did Susan B. Anthony do?
110. Name one war fought by the United States in the 1900s.

## **BOE AND LEGISLATIVE DATES**

**February 23, 2007** --- Last day for bills to be introduced (J.R. 61(a)(1),J.R. 54(a)).

**February 27-28, 2007** --- Board of Equalization meets in Culver City.

**February 27, 2007** --- Business and Property Taxpayers' Bill of Rights hearings in Culver City at approximately 1:30pm.

**March 20, 2007** --- Board of Equalization meets in Sacramento.

**March 20, 2007** --- Business and Property Taxpayers' Bill of Rights hearings Business and Property Taxpayers' Bill of Rights hearings in Sacramento at approximately 1:30pm.

**March 29, 2007** --- Legislative Spring Recess begins upon adjournment (J.R. 51(a)(2)).

**March 30, 2007** --- Cesar Chavez Day.

**April 9, 2007** --- Legislature reconvenes from Spring Recess. (J.R. 51(a)(2)).

**April 24-25, 2007** --- Board of Equalization meets in Sacramento.

**April 27, 2007** --- Last day for policy committees to hear and report fiscal bills for referral to fiscal committees (J.R. 61(a)(2)).

## **NOTABLE DATES/ HISTORY**

**February 19, 1807** --- Former United States Vice President Aaron Burr was arrested and charged with plotting to create an independent republic.

**February 19, 1847** --- After spending the winter under harsh conditions that drove them to cannibalism in order to survive, members of the Donner Party were rescued.

**February 19, 1945** --- Nearly 60,000 United States Marines stormed the island of Iwo Jima.

**February 19, 1976** --- President Gerald Ford formally rescinded President Franklin Roosevelt's notorious Executive Order authorizing internment of more than 120,000 Japanese-Americans during WWII.

**February 20, 1873** --- Negotiations resulted in Toland Medical College joining the University of California to create the University of California's first Medical School (University of California/San Francisco).

**February 20, 1895** --- Frederick Douglass-- escaped slave, author, abolition leader, civil rights champion-- died.

**February 20, 1915** --- The Panama-Pacific International Exposition opened in San Francisco.

**February 20, 1931** --- Congress authorized California to build the Oakland-Bay Bridge.

**February 21, 1885** --- The Washington Monument, in Washington, D.C., was dedicated.

**February 21, 1965** --- African American activist and leader Malcolm X was shot dead at the Audubon Ballroom, in Harlem, New York.

**February 21, 1992** --- California native skater Kristi Yamaguchi won the Olympic gold medal in women's figure skating for the United States

**February 22, 1924** --- President Calvin Coolidge delivered the first presidential radio address from the White House.

**February 23, 1847** --- About 5000 American troops commanded by General Zachary Taylor defeated some 15,000 Mexicans under General Antonio López de Santa Anna near Buena Vista, Mexico.

**February 23, 1945** --- U.S. Marines captured the highest point on the island of Iwo Jima and raised the American flag for the second time that day.

**February 24, 1803** --- Marbury v. Madison established the authority of the Supreme Court of the United States to decide whether acts of Congress are legitimate under the U.S. Constitution.

**February 24, 1919** --- Oregon became the first state to impose a state tax on gasoline (one cent a gallon).

## **GENERAL TAX INFORMATION**

For answers to your general tax questions, call the Board of Equalization information center. Customer service representatives are available to help you from 8:00 a.m. to 5:00 p.m. Pacific time, Monday through Friday (except state holidays).

Toll-free number: 800-400-7115  
TDD service for the hearing impaired  
TDD phones: 800-735-2929  
Voice phones: 800-735-2922

To reach the Taxpayer Rights Advocate's office for assistance with any BOE issues, see <http://www.boe.ca.gov/tra/tra.htm>, or call toll-free 1-888-324-2798.

## **HOW TO CONTACT ME**

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